

**MINUTES OF THE MEETING OF THE
UNIFORM COMMERCIAL CODE COMMITTEE
OF THE STATE BAR OF CALIFORNIA**

January 3, 2003
9:35 a.m. to 11:00 a.m.

The January 3, 2003 meeting of the Uniform Commercial Code Committee (the "Committee") was called to order at approximately 9:35 a.m. with Peter Szurley and Pauline Stevens presiding.

A. Administrative Matters

1. **Appointment of Secretary.** Marty Opich was appointed as the secretary for the meeting.

2. **Approval of December 2002 Meeting Minutes.** The minutes of the December 3, 2002 meeting were approved in the form disseminated prior to the meeting.

3. **Future Meeting Dates/Locations.**

February 4, 2003 (Tuesday): Videoconference meeting at 9:30 a.m. at the offices of Morrison & Foerster in Los Angeles, San Francisco and San Diego.

March 11, 2003 (Tuesday): Videoconference meeting at 9:30 a.m. at the offices of Morrison & Foerster in Los Angeles, San Francisco and San Diego.

April 4, 2003 (Friday): (Los Angeles) (Business Law Section Spring Meeting)-
-Mr. Szurley reported that logistics for this meeting are to be determined and circulated. Pam Martinson reported that her panel for this meeting (Marty Fleisher, Peter Munoz, and Pam Martinson) will meet soon.

May Meeting: Harry Sigman requested that the date be changed from May 13, 2003 to May 14, 2003. Mr. Szurley agreed to solicit the Committee's opinion on this date change via e-mail.

Consideration of meeting dates for June 2003 forward was deferred to a later meeting. Discussion of the State Bar Annual Meeting was deferred to the end of the meeting.

B. Revised Articles/Divisions 3 and 4 Project

Jim Purvis had circulated copies of correspondence from the American Bankers Association indicating that Revised Articles 3 and 4 may not be introduced in California this year. Mr. Szurley has inquired of the Chief Counsel of the ABA, and was referred to Byron Sher. Peter Carson also intends to look into the matter of whether Revised

Articles 3 and 4 will be introduced. Harry Sigman reported that NCCUSL may not press forward this year, but that individual states may elect to proceed on their own. Mr. Sigman intends to discuss the matter with Bion Gregory. Mr. Sigman opined that the Committee's report could become a template for reports in other states and recommend that the Committee proceed to finalize its report. Mr. Szurley observed that the NCCUSL website referred to an NCCUSL meeting in early February.

The Committee proceeded to discuss the draft report, with respect to which Mr. Szurley is now the reporter. Pauline Stevens inquired where committee members stood with their reviews. She reported that several members intended to conduct further reviews in the next few days. Mr. Szurley requested a general consensus on the status of the members' review of the Committee report. He requested that the Committee members submit any final comments on or before January 10, 2003, and that a final version would be submitted to the Committee and to the Executive Committee the following week.

C. Revised Article 1 Project.

Mr. Szurley reported that aside from a further discussion of section 1-301 being prepared by Mr. Sigman, the report was essentially final. Mr. Carson confirmed that section 1-301 remained a sticking point in Revised Article 1. There followed a discussion of the merits of the two main issues presented by 1-301 -- the public policy statement and the consumer exception -- and the process through which those issues might be further addressed.

Mr. Szurley concluded the discussion by stating that once Mr. Sigman had completed his discussion of 1-301, the Committee's Article I report will be complete and will be sent to the Executive Committee for review.

D. Website Review and Development Project.

Vasco Morais reported that he had circulated the markup of the website to the committee based on the subcommittee's review, and reported that the website was awaiting the completion of Mr. Sigman's biographical information. Mr. Sigman agreed to submit his biographical information after he completes his report on section 1-301.

Mr. Morais further reported that he had been in contact with the State Bar webmaster. Mr. Szurley volunteered to assemble minutes from the most recent years' Committee meeting, and to contact Mikel Bistrow to obtain the prior years' minutes.

E. Secretary of State Automation Project.

Mr. Morais has drafted an open letter to Kathleen Vasquez, which he recommended sending prior to the Committee's next meeting. Ms. Stevens stated she had suggestions for revisions and agreed to provide her comments to Mr. Morais, after which he would circulate the draft to the entire Committee prior to the February meeting.

Ms. Stevens inquired whether an open letter to Ms. Vasquez required State Bar approval, and agreed to contact Mr. Carson to determine that question.

Dena Cruz is conducting a survey on pricing in other states. Mr. Szurley will request that Ms. Cruz report at the Committee's February meeting.

F. Legal Opinions Task Force.

Ms. Martinson reported that the task force had a productive meeting in December, and commented that the issue of "priorities" would generate the most discussion. She stated the task force planned one more meeting before the February Committee meeting, and expected a complete draft to be circulated at that meeting, for discussion by the Committee at the March meeting.

Mr. Szurley reported that he had spoken with the Corporations Committee liaison concerning the status of its report, but does not know when its report will be complete. Mr. Szurley noted that the Committee's report defers to the Corporations Committee's report, which may be its existing report.

G. Other Items.

1. Resignation of Nicole E. Dale Slayton. Mr. Szurley reported that Ms. Slayton had resigned from the Committee due to a change in employment. Mr. Szurley requested recommendations for a replacement, and stated that her replacement would be an agenda item in February.

2. State Bar Annual Meeting (September 2003). Mr. Szurley stated that the Committee would focus on the Annual Meeting at its February meeting, and that he would summarize ideas presently on the table for consideration at that meeting.

3. Publication Requirement. Mr. Szurley reminded the Committee of the State Bar's quarterly publication requirements for committees. He stated that one of the Committee's draft reports could be turned into an article to meet the requirements, and solicited other contributions.

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The meeting was adjourned at approximately 11:00 a.m.

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